

**Union Square Civic Advisory Committee (CAC)**  
**Meeting Notes – 2/25/15 at 6 p.m.**  
**Union Square Post Office**

**1. Introduction,**

CAC Co-Chair Wig Zamore welcomes the CAC and provides an overview of the meeting for this evening. The meeting will include time for public comment at the beginning and end.

**2. Public Material:** Documents were passed out by Van Hardy, member of Union United and SCC, and Anne Tate, CAC Co-Chair. Both available online at:

<http://www.unionsquarefutures.org/cac-discussions>

<http://www.somervillema.gov/sites/default/files/us2-memo-3-9-15.pdf>

**3. Public Comment**

None

**4. OSPCD Updates**

Edward O' Donnell, Director of Economic Development, introduced and welcomed the new CAC members. He explained that the CAC had expressed interest in expanding the group to work with people who had specific areas of expertise and experience in various sectors. There were more than three dozen applications and eight members were chosen. He also welcomed the new Director of Union Square Main Streets, Ester Hanig, replacing Mimi Graney; Courtney O'Keefe temporarily replacing Kat Rutkin; Derek Seabury, President of Artisans Asylum replacing Molly Rubenstein.

MEPA is the Massachusetts Environmental Policy Act. Edward O' Donnell explained that its purpose is to provide meaningful opportunities for public review of those potential environmental impacts of projects. It is to review all applicable statutory and regulatory standards and requirements to use feasible means to minimize or mitigate damage to the environment to the maximum extent practical. The secretary of energy environmental affairs conduct the MEPA review in coordination with a number of agencies at the state level. The secretary's decision takes into consideration whether or not the proponent, US2, has amicably described all the environmental conditions that will rise from the project and whether the proponent has taken sufficient steps to provide mitigation measures for the short and long term. If a new urban redevelopment project consists of 100 residential units over the entire square or 50,000 square feet non-residential space, then it is subject to MEPA review. The MEPA process is the highest standard that any project has to meet. There will be more opportunities for the public to comment on what they vision the project needs in regards to the infrastructure and environment. The US2 team is roughly 60-90 days away from starting the environmental process. Once filed, projects can be

tracked online through the MEPA Environmental Monitor website. (<http://www.env.state.ma.us/mepa/emonitor.aspx>)

On behalf of the administration, Edward O' Donnell also addressed Anne Tate's memo to the CAC and explained that he does not find anything within the ends of the letter that the City would take issue to. He also noted that the City has emphasized to the developer team that this is a project that is going to proceed with multiple components. It will not be just a housing project. Based upon the discussions the City has had with US2, you will start to see the components of the D2 and D3 development start to evolve. Once the Somerville by Design process is complete, the community benefit agreement process will begin. There will be a clearer vision as to what needs to be in the agreement after the community engagement process.

Brad Rawson, OSPCD Senior Planner, went over the charrette schedule. He emphasized that the SomerVision is a plan for growth, plan for preservation, and plan to preserve diversity of the economy, jobs, and housing choices. One of the areas the SomerVision emphasizes is to get better jobs and housing balance in our border. 30,000 jobs, 6,000 housing units, 125 acres of new quality public open space over the next 20-30 years. How do we get there? Many of the CAC members and neighborhood-based conversations had encouraged the Mayor's planning office to think bigger than the 7 development blocks, to make sure that a coordinated strategic plan for Boynton Yards and Union Square be stitched together for a strategic plan for the future. Almost halfway through the community engagement process, there have been weekly tactical sessions where partners from the US2 team have been helping the City and community on series of conversations called technical elements of development. Technical elements include Brownfield remediation, transportation planning, parking issues, economics of housing versus commercial development to ensure that everyone in the community that has a stake in these conversations are able to benefit from the same technical information going into them. The 3-day charrette is on March 9-11<sup>th</sup> from 9 am to 9 pm and it is the industry standard best practice of community engagement so that people with different scheduling needs can participate, learn about the project and contribute. The planning department encourages the community to visit [www.somervillebydesign.com](http://www.somervillebydesign.com) to stay updated.

Edward O' Donnell, reinstated that the important goals of the Somerville by Design process is to give the CAC real time information they need to talk about the benefits agreement.

## **5. Presenter Van Hardy, Jobs for Somerville**

Van Hardy made clear that they are looking at all jobs coming through this development, whether they are low, middle and high income jobs. Concerned about the existing population that feels insecure and lacks the stable housing and economic situation of jobs and whether they will be able to live here after the

development. They want to focus on that population and figure out how to keep them here. The challenge they stated was that they can address income inequality and displacement as a result of development but they have to do it together with the community. He provided 4 recommendations on behalf of Jobs for Somerville.

1. Support union labor

- When the public invests in the infrastructure for the developers, the only way the community will get a return is through wages. Having a union laborer puts more of the money back into the community rather than having it extracted.

2. Living wage

- A lot of jobs that are coming in are low wage jobs. We want to create a way for those jobs to be converted or lead to living wage jobs. Living wage jobs are important because they provide the anchor that allows people to continue to live here.

3. Training workforce development

- Extremely important to find out what skills are required in the long term so that the training programs can be in place now. Specifically targeting young, immigrant population, and people who have had barriers into employment.

4. First Source Initiative

- An initiative in which Jobs for Somerville created. It has been evolving for the past 3-4 years and it was established last year through a working cities grant. The City, SCC, and The Career Place have come together to set up a program that gives people access to good jobs and local jobs. The goal for the first year was to service 150 people and they have been able to place 60 people in jobs. We need to expand this initiative and bring it to scale.

Van Hardy also presented the priorities that the Jobs for Somerville Committee put together for the CBA (Community Benefits Agreement):

1. Project labor agreement
2. Living Wage
3. 25% construction workers and 51% non-construction workers to be Somerville residents, women and minorities.
4. Employers would participate in the First Source program.
5. Employers to fund a job-training center.
6. Employers will not interfere in union organizing and allow workers to decide whether they want to form a union.
7. Developers to prioritize procurement contracts with local minority and women owned business and cooperatives.

Handouts from this presentation can be found here:

<http://www.unionsquarefutures.org/cac-discussions>

## **Q&A – Jobs for Somerville:**

Courtney O' Keefe: What is SCC's union hiring rate?

A: Van Hardy explains that they have been working on that because there is a gap between what affordable housing developers can afford and union scale. We are trying to close that gap and work with the union closely. We do understand that this is an issue and we want to close it ourselves and be an example in the community and CDC's in the state.

Emily Reichert: Not sure what type of jobs are coming in with the development but what constitutes a low wage job?

A: Van Hardy lists retail, food service, security, janitorial, support services, etc. as examples of what they consider to be low wage jobs. These are services local people can provide and the goal is to make sure they are good jobs and not just low wage jobs.

## **6. Presentation by Drew Leff, Principal at Stantec, and Molly Heath, Senior Vice President of Jones Lang LaSalle – US2 Team Members**

Drew Leff and Molly Heath are a part of the US2 team acting as local project managers. The main topic of the presentation is the market for Office and R&D in Somerville and Union Square. Jones Lang LaSalle are commercial brokers helping US2 to find Office and R&D tenants. Molly led the presentation by emphasizing their mission for collaboration to create a viable and vital development plan that reflects the SomerVision goals. She explained that the citywide goal is 30,000 new jobs and they believe that Boynton Yards and Union Square will be the key components in creating the mixed-use transit oriented district and in providing appropriate jobs. Target for Boynton Yards is about 8% of the City's share of job growth and Union square is at 6%. It calculates roughly to 1800 jobs for Union Square and another 2500 jobs for Boynton Yards. Developing Office and R&D will bring jobs to Union Square and will be the key to expansion.

Molly explained that the companies are making decisions on where to locate and how to build out and design their space based on the talent they are planning to recruit. Everyone is trying to attract the millennial young workforce that applies to the live work play trends. Millennials typically don't have cars and are either biking or walking to work so they have to be on the T and the large percentage of that population is in Greater Boston, specifically Cambridge and Somerville. Millennials are driving the future of the workplace. The expectation is going to be 50% by 2020 and 75% of the global workforce by 2025. Square footage per employee is shrinking but the overall envelope is staying the same. Technology companies are shifting. Companies are not looking to lease high end office space anymore, rather they want to be in places like Kendall Square, Seaport, and Davis because there is a more funkier environment. The challenge for Somerville is the lack of supply rather than the demand. Union Square has everything everyone is coveting. There are new

tenants emerging such as co-working spaces. They give young companies a place to house community shared resources without long term leases. She emphasized that they want to be cognizant of the challenges and address it appropriately. Overall, Somerville is more appealing to tenants because of the work live component and its culture.

The presentation can be found here:

<http://www.somervillebydesign.com/wp-content/uploads/2015/02/WS2-Presentation-Final.pdf> - Specifically pages 35- 62

### **Q&A and Discussion – US2 Team**

Scott Hayman: People are building land space in Cambridge, how do we accomplish space in Union Square for that demand?

Drew Leff: It's a pioneering location, we believe in it and we are going to sell it through the new development.

Scott Hayman: What is the match between housing cost and talent pool such as the millennials? How do we make it a part of our fabric? Some came to Somerville, such as Greentown Labs, with incentives and creative banking, but you are getting land and we are working with you to create a plan. What is the right mix that puts you in the center and broadcasts to the nation that space is available?

Drew Leff: Its apart of our whole effort through the planning process to put together that mix of uses and what is unique to Union Square and build on that; to make sure we have the amenities that are essential to the district.

Scott Hayman: So if you build a 10-story apartment complex is that going to fill up with this talent pool?

Molly Heath: Yes, we believe so. For example, in Kendall Square along Third Street, they added a lot of new housing and retail in an established market. Even so, there is still more demand for housing and retail. There is no problem attracting talent to live and work here but it's the work piece that is missing.

Erik Fellingner: Lets say you have a prospective from a start up or second generation looking to expand and they ask what about Union Square? What are the reasons they would say no?

Molly Heath: We actually have been talking to prospective talents, one of which is a large marketing technology firm in east Cambridge and their interest was there but the timing didn't work. They needed to grow sooner than we could be in their queue. We have yet to hear objections, we've only heard demand for the space. The only rejection is that it doesn't meet their timing.

Erik Fellingner: We were told, at the meeting on the 11<sup>th</sup>, that d2 would most likely be housing?

Drew Leff: D2 will have both housing and office.

Ed O' Donnell: On behalf of the administration, we want to accomplish the 2 to 1 ratio for new jobs, lab space, office space, etc. but we are also trying to accomplish the housing needs.

Erik Fellingner: The 2:1 is to Union Square specifically?

Edward O' Donnell: To the growth areas such as Union Square, Assembly Square, Innerbelt, and Brickbottom.

Erik Neu: Is 2 to 1 ratio for square footage or jobs to units?

Edward O'Donnell: Jobs to Units

Pokye Casserly: What about the business that exist here already?

Molly Heath: People attracted to come to Union Square are derived by what is already here. Our hope and expectations are that with these companies coming in and the commercial space being added, it will only support the existing business. JLL (Jones Lang LaSalle) was excited to partner with US2 and the team because they get the value that is here and they want to maintain the integrity that already exists.

Anne Tate: For a later discussion, it will be important for the committee and community to have a better understanding of bringing in R&D and start up jobs and how much jobs those jobs create? In terms of market, service jobs, and restaurants. So it's not just the jobs they house in the new building but the commerce that they make possible in the City. We are going to try to understand that better.

Wig: It is on all of us and the City to make that balance work. It is not only on the new properties. We want to make it fit with what is existing and what comes to maintain the character that is here. As you look at examples of similar scale of development projects in other places, you should look at that. If you are looking at the other places like Kendal Square or developments in Boston, how does the fabric on the ground before the development evolve with the development to make the City whole?

Emily Reichert: We need to decide what type of businesses we want in Union Square. For example, is it the marketing technology firm or is life sciences the right fit? We don't need to be Kendall Square, we need a vetting process of business that are showing interest and ask the question of do these business fit with the character we want in Union Square. The folks at Artisans, Greentown and other business that came to Ames fit together and created a community within a community. It's the same people who are interested in artistic and creative things.

Anne: It is important for us to understand the ecology of the workforce and the jobs development. Higher valued jobs can feed more jobs down the chain but you want to consider the question of character in the mix.

Karen Narefsky: As someone that is in the millennial age range, it is important to be aware that when you are talking about attracting millennials that those are people

with more disposable incomes and don't have the same type of financial obligations as people who have families and are older. So it is possible that millennials could displace those families with financial obligations and I don't want that to be the primary focus of the development. As a resident, I feel offended that Union Square is a relief valve of the Seaport District. We need to make sure that the development is driven by what Emily said, by what we want here and not by what people can't afford to build in Seaport or Kendall but rather what we want here to help our community.

Molly Heath: I'm glad you said that because we should probably change the terminology of relief valve. There was a dynamic that said they were being priced out of Cambridge and moving into areas they are not familiar with. We don't expect the tenants in Seaport to go back to Cambridge because once they realized what was there the history, product type, retail, the improved access to public transportation from Cambridge; they made a home there. It isn't a relief valve but a lack of awareness on some of the companies that have grown and housed from Cambridge getting over there and establishing that market. So relief valve isn't the right term.

Anne Tate: The question is that in this ecology, how do we figure out the pro forma that's going to let you build space; have incubator potential in it for the long run; and internal subsidies like we have for housing for building space that will give people that flexibility.

Drew Leff: To add to that, the issue with incubator and smaller newer tenants are really important to us. Every project I have worked on, and I have worked on a lot of university related research parks, have started with smaller kind of spaces that have tenants who have the potential to grow and that take 1,000 or 2,500 square feet show an increase in demand for co locating spaces. These are things we are focusing on early with the first buildings to be able to establish the R&D and Office process. At the same time we want the tenants able to take larger spaces that are more than 2,500sqft.

Wig Zamore: Partners is going to Assembly Square with 4,500 people from 13 or 14 locations in Eastern Massachusetts. Office locations, including abandoning Wellesley, because they are worried about their future workforce. They don't believe they can get that workforce if they don't follow what was suggested.

## **7. Presentation by Wig Zamore, Co-Chair of CAC**

Wig Zamore gave an overview of the City wide goals and Union Square goals from the SomerVision. He also stated that Somerville has about 75,000 people and about 75,000,000 million square feet of buildings in Somerville. Roughly 1,000 square feet of buildings per person. The goals of the comprehensive plan in housing and office both equal about 7.5 million square feet so they are about a 10% increment to our total building stock.

He emphasized that the Eastern Massachusetts planning region for land use and transportation includes Boston and 100 cities and towns in that area. He took the 10 most imbalanced communities out of the 100 for the data that was shown. Cambridge is by far the most imbalanced in regards to excess of jobs over local people who need jobs that live there. Somerville is the biggest imbalance in the opposite direction. Somerville has vastly more housing per square mile and people seeking work than it has local jobs. Most people have to leave Somerville.

In regards to phasing, he explained that it will take a long time for this development to take place. University Park was one of the later developments in E. Cambridge and it followed Kendal Square, Lechmere, and Tech Square. Even so, it took 40 years for land assembly by MIT for University Park.

He explains that the reason for Somerville's chronic fiscal deficit is that Somerville has the greatest shortage of jobs relative to residents in Massachusetts. When there is a shortage of jobs there is also a short tax base. Massachusetts average personal income spread is growing; Somerville is middle income but losing ground relative to Massachusetts average. We have been below the average median income in the last 30 years but we are overall median income. Average education has skyrocketed but income has stayed the same.

The presentation can be found here:

<http://www.somervillema.gov/sites/default/files/union-sq-pres-2-25-15.pdf>

#### 8. Introduction of New CAC Members

- Emily Reichert
- Fr. Richard Curran
- Irma Flores
- Pokye Casserly
- Shu Talun
- Jennifer Blundell
- Ester Hanig, replacing Mimi Graney
- Derek Seabury, replacing Molly Rubenstein
- Courtney O' Keefe, temporarily replacing Kat Rutkin
- *Not Present* – Angelica Benatti, Chris Mancini

#### 9. Open Discussion

Mike Dacey – It's important to stress the fact that these development projects take a lot of time and most are familiar with the SomerVision slides, but it should be reinstated to the community members that are not aware to help understand the realistic timelines of such projects.



Joe Beckman- Affordability numbers are based on adjusted median income. The adjusted median income is based on richer towns because our region is relatively poor. What that means is that most people don't realize that a moderate-income apartment is for someone that is making \$40,000 to \$50,000 a year. That is not poor.

Shu Talun – What is the expectation for Union Square in terms of 30,000 jobs?

Wig Zamore – 6-8% of the total jobs in Somerville.

Drew Leff – 2,500 in Boynton and 1800 in Union Square. We believe that we can accomplish 4,300 jobs in both Union Square and Boynton Yards.

Rebecca Schrumm – Somerville has a very low unemployment rate and the jobs are not in Somerville. We have more of a commercial tax base problem. Bringing jobs into the City versus providing jobs for the residents are two different issues.

Wig Zamore - The local jobs are proportional to the local tax base. If the jobs are somewhere else, you are not getting those resources for the schools, parks, etc.

Irma Flores – When we are talking about bringing biotech businesses, we are creating a lot of high expectations. Right now, the communities are worrying about the increase of rent. What is the plan for that? And can we have a breakdown of the workforce to see what type of job opportunities we need to bring into the City.

Anne Tate – That is data, which would be good to have more clarity on. Some articles are posted on the CAC website to understand what types of jobs are in the workforce right now.

Fr. Richard Curran – My understanding is that Kendall Square is listed as the innovation hub of the east coast in the United States. It seems that Boynton yards has a lot of possibilities other than the chocolate factory. The average age in Somerville is roughly 31.4 based on the presentation at Brickbottom put on by MIT and their speculation of the development in Cobble Hill.

Anne Tate – According to SomerVision, Brickbottom is expected to carry more or equivalent to Boynton and Union together in regards to jobs.

CAC Member - 85% of Somerville residents are leaving for work. How will you fit the number in just parcels D-2 and D-3?

Drew Leff – We believe we can bring more jobs into d-2 and d-3 because it can take more people than space.

Molly Heath - Companies aren't taking less space rather they are hiring more people, they are fitting more individual workers and sacrificing collaboration spaces.

Erik Neu – Question in regards to shrinking square feet for jobs required. High tech companies are wanted to be in the same space and even though they have more collaborative spaces and companies like partners are starting to do at home work. How is that accounted for in terms of commercial tax break? If someone works for Partners but works from home 4 days a week, how is that accounted for?

Wig Zamore - The taxes are only paid on the built square footage. There would be less square footage for that specific individual.

**10.Next Meeting Date**

Tuesday, March 24, 2015

Venue: TBD

**11.Meeting adjourned: 8:05p.m.**